

Before the
FEDERAL COMMUNICATIONS COMMISSION
 Washington, D.C. 20554

STAMP & RETURN

In the Matter of)

MANHATTAN TELECOMMUNICATIONS)
 CORPORATION, d/b/a Metropolitan)
 Telecommunications)

Transferee,)

BUSINESS PRODUCTIVITY)
 SOLUTIONS, INC.)

Transferor,)

Application Pursuant to Section 214 of the)
 Communications Act of 1934 and Section 63.24)
 of the Commission's Rules for Consent to the)
 Transfer of Control of Business Productivity)
 Solutions, Inc. to MetTel)

File No. _____

And)

Application Pursuant to Section 214 of the)
 Communications Act of 1934 and Section 63.04)
 Of the Commission's Rules for Consent to the)
 Transfer of Control of Business Productivity)
 Solutions, Inc. to MetTel)

WC Docket No. _____

JOINT INTERNATIONAL AND DOMESTIC APPLICATION
FOR CONSENT TO TRANSFER CONTROL

Pursuant to Section 214 of the Communications Act of 1934, as amended (the "Act"),¹
 and Sections 63.04 and 63.24 of the Commission's rules,² this Application seeks Commission
 approval to transfer control of Business Productivity Solutions, Inc. ("BPS") to Manhattan

¹ 47 U.S.C. § 214.

Telecommunications Corporation, d/b/a Metropolitan Telecommunications ("MetTel")(together referred to as "Applicants"). MetTel and BPS are non-dominant carriers authorized by the Commission to provide international³ and domestic telecommunications services. A Domestic Supplement, containing the information required by 47 C.F.R. § 63.04, is attached hereto as Exhibit A.

Applicants seek streamlined processing of this Joint International and Domestic Application pursuant to Sections 63.03 and 63.12 of the Commission's Rules.⁴ This Application is eligible for streamlined processing pursuant to Section 63.03(b)(2)(i) of the Commission's Rules, 47 C.F.R. § 63.03(b)(2)(i), because (a) after the proposed transaction, MetTel and its affiliates will have less than 10 percent market share in the interstate, interexchange marketplace and will provide competitive services exclusively in areas served by dominant local carriers that are not parties to the transaction, and (b) the Applicants are not currently dominant with respect to any domestic service, and will not become dominant with respect to any domestic service after consummation of the proposed transaction. This Application also qualifies for streamlined treatment under Section 63.12 because (a) MetTel is not affiliated with a dominant foreign carrier, (b) MetTel will not become affiliated with any foreign carrier as a result of the proposed

² 47 C.F.R. §§ 63.04(b), 63.24(e).

³ MetTel provides international telecommunications services pursuant to International Section 214 authorization granted by the Commission in File No. ITC-214-19970411-00203 (formerly, ITC-97-216) on May 30, 1997. See Public Notice, Rep. No. TEL-80-A (rel. June 5, 1997, grant effective May 30, 1997).

BPS does not hold its own international Section 214 authorization. Instead, BPS provides service pursuant to the international Section 214 authorization of its ultimate parent company, Eschelon Telecom, Inc. ("ETI"). ETI received its international authorization to provide resale services on August 27, 1999 in File No. ITC-214-19990729-00490, then known as Advanced Telecommunications, Inc. On May 2, 2000, the Commission received a letter notice advising it of a change in name from Advanced Telecommunications, Inc. to Eschelon Telecom, Inc.

transaction, and (c) none of the other provisions contained in Section 63.12(c) of the Commission's Rules, 47 C.F.R. § 63.12, apply.

Applicants seek to complete the proposed transaction rapidly so that MetTel can consummate its purchase of BPS, integrate its acquisition, and thereafter expand and improve its ability to offer BPS customers a diverse range of new or additional communications services. Applicants therefore request expedited treatment and consideration of this Application.

In support of this Application, Applicants submit the following information:

I. THE PARTIES

(a) MetTel

Manhattan Telecommunications Corporation, d/b/a Metropolitan Telecommunications (hereafter "MetTel") is a privately-held corporation organized under the laws of the state of Delaware. MetTel is a direct, wholly owned subsidiary of Metropolitan Telecommunications Holding Company, also a Delaware corporation. MetTel's principal business address is located at 44 Wall Street, 6th Floor, New York, New York 10005.

MetTel has authority to provide resold switched international telecommunications services.⁵ MetTel is considered a non-dominant carrier under the Commission's Rules. The company has no affiliation, within the meaning of Section 63.09(e) of the Commission's Rules, 47 C.F.R. § 63.09(e), with a dominant U.S. or foreign facilities-based carrier.

Founded in 1996 as a full-service telecommunications company, today, MetTel is a rapidly expanding integrated communications provider. Either directly or through its wholly

⁴ 47 C.F.R. §§ 63.03 and 63.12.

⁵ See Footnote 3, *supra*.

owned operating subsidiaries,⁶ MetTel presently provides local exchange, domestic interexchange (both interLATA and intraLATA), international and advanced data and Internet services to customers residing in: California, Connecticut, District of Columbia, Delaware, Florida, Georgia, Illinois, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Texas, Vermont, Virginia, and West Virginia. MetTel is rapidly expanding from its regional base in the Northeast and Mid-Atlantic states with plans to serve customers in all 48 lower states and Hawaii by the end of 2005. At present, however, there are no other affiliates of MetTel that currently provide domestic telecommunications services.

(b) BPS

Business Productivity Solutions, Inc. (hereafter "BPS") is a privately-held corporation organized under the laws of the state of Minnesota. BPS's principal place of business is located at 730 2nd Avenue South, Suite 900, Minneapolis, Minnesota 55402. BPS is a direct, wholly owned subsidiary of Eschelon Operating Company ("OPCO"), a Minnesota corporation that functions as a holding company, which in turn is a direct, wholly owned subsidiary of Eschelon

⁶ In New York, MetTel provides services directly through Manhattan Telecommunications Corporation. In other states, MetTel provides services through its wholly owned subsidiaries, Metropolitan Telecommunications of California, Inc., Metropolitan Telecommunications of CT, Inc., Metropolitan Telecommunications of D.C., Inc., Metropolitan Telecommunications of DE, Inc., Metropolitan Telecommunications of Florida, Inc., Metropolitan Telecommunications of Georgia, Inc., Metropolitan Telecommunications of Illinois, Inc., Metropolitan Telecommunications of Maine, Inc., Metropolitan Telecommunications of Maryland, Inc., Metropolitan Telecommunications of Mass., Inc., Metropolitan Telecommunications of Michigan, Inc., Metropolitan Telecommunications of New Hampshire, Inc., Manhattan Telecommunications Corporation of New Jersey, Inc., Metropolitan Telecommunications of North Carolina, Inc., Metropolitan Telecommunications of Ohio, Inc., Metropolitan Telecommunications of PA, Inc., Metropolitan Telecommunications of Rhode Island, Inc., Metropolitan Telecommunications of South Carolina, Inc., Metropolitan Telecommunications of Texas, Inc., Metropolitan Telecommunications of Vermont, Inc., MetTel of VA, Inc. and Metropolitan Telecommunications of West Virginia, Inc.

Telecom, Inc. (hereafter "ETI"), a Delaware corporation, the ultimate parent corporation. ETI is authorized to provide telecommunications services in California, Idaho, New Mexico and New York; however, ETI only provides service, specifically long distance resale service, to 1 business customer in New York. OPCO has several direct, wholly owned subsidiaries that offer telecommunications services in various states.⁷ In these states, the subsidiaries provide resold and facilities-based local, resold long distance, Internet and data services to small and medium sized-businesses. ETI's BPS subsidiary also provides long distance services to residential customers. ETI and its subsidiaries, collectively "Eschelon," are headquartered at the above address, provide voice, data, Internet services and business telephone systems to over --50,000 customers, and have over 387,000 access lines in service. Eschelon owns switches in all states where it offers local services. The average Eschelon customer has 5-8 lines. Eschelon provides local and long distance facilities-based service in 19 markets in 8 states.⁸ There are no other affiliates of BPS that offer domestic telecommunications services.

On October 7, 2004, BPS was created to facilitate ETI's acquisition of certain assets purchased from GE Business Productivity Solutions, Inc. ("GEBPS"). The details of this transaction, which was approved by the Commission on December 20, 2004,⁹ are set forth in the Commission's records pertaining to BPS's Section 214 application for Commission approval of its acquisition of assets from GE Business Productivity Solutions, Inc. *See Domestic Section 214*

⁷ Advanced TelCom, Inc., Eschelon Telecom of Minnesota, Inc., Eschelon Telecom of Washington, Inc., Eschelon Telecom of Colorado, Inc., Eschelon Telecom of Nevada, Inc., Eschelon Telecom of Arizona, Inc., Eschelon Telecom of Utah, Inc. and Eschelon Telecom of Oregon, Inc.

⁸ ETI and its operating subsidiaries, not including BPS, are not involved in the instant transaction. They will continue to hold their telecommunications authorizations and serve their existing customers as they have in the past.

⁹ See Public Notice, DA 04-3998, Notice Of Streamlined Domestic 214 Applications Granted, WC Docket No. 04-413 (rel. Dec. 21, 2004).

Application filed for Acquisition of Assets of GE Business Productivity Solutions, Inc., by Business Productivity Solutions, Inc., WC Docket No. 04-413.

As permitted by Section 63.21 of the Commission's Rules, 47 C.F.R. § 63.21, BPS currently provides resold international switched telecommunications services pursuant to its parent company, ETI's, international Section 214 authorization.¹⁰ BPS is also licensed, registered or otherwise authorized to provide resold intrastate and interstate telecommunications throughout the contiguous United States and the District of Columbia. Additionally, BPS is authorized to provide local exchange services in Connecticut, Delaware, Hawaii, Kansas, Missouri, Massachusetts, North Dakota, Oregon, Tennessee and Wisconsin.

II. DESCRIPTION OF THE TRANSACTION

Pursuant to the terms of a Stock Purchase Agreement ("Agreement"), dated August 9, 2005, by and between Manhattan Telecommunications Corporation, d/b/a Metropolitan Telecommunications ("MetTel"), Eschelon Operating Company ("OPCO") and Business Productivity Solutions, Inc. ("BPS"), MetTel will acquire 100% of the issued and outstanding capital stock of BPS, which is currently held by BPS's immediate parent, OPCO (the "Transaction"). Following completion of the Transaction, BPS will be a direct, wholly owned subsidiary of MetTel. Closing of the Transaction is contingent upon, among other things, receipt of necessary regulatory approvals from the Commission and other Governmental approvals.

Applicants emphasize that the proposed Transaction will be entirely transparent to customers of BPS. Immediately after consummating the Transaction, MetTel will continue to provide the identical end user telecommunications and other services to the affected customers and will continue to provide these services at the rates and pursuant to the terms and conditions of

¹⁰ See Footnote 3, *supra*.

service these customers currently receive from BPS. Further, MetTel will continue to provide services under the BPS name. In sum, consummation of the Transaction will result in no perceivable changes to BPS' customers.

III. PUBLIC INTEREST

The Applicants respectfully submit that the Transaction serves the public interest. After consummation of the Transaction, BPS will continue to operate under its name and operating authorities as at present. The Transaction involves no change in the entity providing service directly to customers or the end user services, rates, terms and conditions of such services. All existing tariffs will remain in place. The transfer of control will be entirely transparent to BPS customers and will not have any adverse impact on them. The only change will be in the ultimate ownership of BPS.

The Applicants expect that the Transaction will increase competition in the telecommunications market by strengthening MetTel's position as an effective and multifaceted telecommunications carrier. The Transaction will allow MetTel to combine its financial, technical and market resources and expertise with that of BPS, thereby enhancing its ability to provide reliable, competitively priced services to customers.

MetTel focuses on delivering reliable, high-quality voice, data and Internet services to the medium and large business markets. MetTel also offers local exchange and long distance services to residential customers in its markets. Customers currently served by BPS fall squarely within MetTel's market niche and therefore make an ideal fit with MetTel's long term expansion goals.

Consummation of the proposed Transaction will make available to BPS customers MetTel's innovative and proprietary operations support systems, which provide leading edge

electronic bonding, provisioning, customer care and billing system capabilities. MetTel is committed to exceeding customer expectations and understands that service and support are just as important as having the latest technology at competitive prices. That is why MetTel supports its products and services with dedicated and skilled account teams. BPS customers can expect the same dedicated attention if the proposed Transaction is consummated.

The transfer of control of BPS to MetTel does not result in any anticompetitive effects. BPS and MetTel together will achieve economies of scale and scope which will enhance MetTel's ability to deploy new products and services and expand into new markets. Although BPS and MetTel both provide similar services in a few overlapping markets, neither has significant market share in any of these markets and the combined market share post-closing will not exceed 10 percent in any market. In all instances where BPS and MetTel provide local exchange services, the incumbent local exchange carrier has a virtual monopoly and this Transaction will not diminish the ILEC's dominant market position. Furthermore, in all instances where BPS and MetTel provide interexchange telecommunications services in overlapping markets, carriers such as AT&T, MCI and a plethora of others are active participants in these markets. Accordingly, the transfer of control of BPS to MetTel will increase, not degrade, the competitiveness of these markets.

For each of the foregoing reasons, grant of the proposed transaction is in the public interest.

IV. SPECIFIC PART 63 INFORMATION

As required by Section 63.24(e)(2) of the Commission's Rules, Applicant submits the following information:

(a) Names, addresses and telephone numbers of Parties:

Transferee

Manhattan Telecommunications Corporation,
d/b/a Metropolitan Telecommunications
44 Wall Street, 6th Floor
New York, NY 10005
Telephone: (212) 607-2000
FRN: 0004365144

Transferor

Business Productivity Solutions, Inc.
730 2nd Avenue South, Suite 900
Minneapolis, MN 55402
Telephone: (612) 376-4400
FRN: 0013645569

(b) The Government, State, or Territory under the laws of which each of the Parties is organized:

Applicant

State of Organization

Manhattan Telecommunications Corporation,
d/b/a Metropolitan Telecommunications

Delaware

Business Productivity Solutions, Inc.

Minnesota

(c) Correspondence concerning this Application should be addressed to:

Jonathan S. Marashlian, Esq.
THE HELEIN LAW GROUP, P.C.
8180 Greensboro Drive, Suite 700
McLean, VA 22102
Telephone: (703) 714-1313
Facsimile: (703) 714-1330
E-mail: jsm@thlglaw.com

Counsel for Joint Applicants

With a copy to:

Andoni Economou
Chief Operating Officer/Executive Vice President
Manhattan Telecommunications Corporation
44 Wall Street, 6th Floor
New York, NY 10005
Telephone: (212) 607-2004
Facsimile: (212) 635-5074
E-mail: aeconomou@mettel.net

And

J. Jeffery Oxley
Business Productivity Solutions, Inc.
730 2nd Avenue South, Suite 900
Minneapolis, MN 55402
Telephone: (612) 436-6692
Facsimile: (612) 436-6792
E-mail: jjoxley@eschelon.com

(d) Statement as to previous Section 214 authorization:

MetTel provides international telecommunications services pursuant to International Section 214 authorization granted by the Commission in File No. ITC-214-19970411-00203 (formerly, ITC-97-216) on May 30, 1997. See Public Notice, Rep. No. TEL-80-A (rel. June 5, 1997, grant effective May 30, 1997).

BPS does not hold its own international Section 214 authorization. Instead, BPS provides service pursuant to the international Section 214 authorization of its ultimate parent company, Eschelon Telecom, Inc. ("ETI"). ETI received its international authorization to provide resale services on August 27, 1999 in File No. ITC-214-19990729-00490, then known as Advanced Telecommunications Inc. On May 2, 2000, the Commission received a letter notice advising it of a change in name from Advanced Telecommunications Inc. to Eschelon Telecom, Inc.

(e) Not applicable.

(f) Not applicable.

(g) Not applicable.

(h) Upon consummation of the Transaction, BPS will become a wholly owned subsidiary of MetTel, which in turn is the wholly owned subsidiary of Metropolitan Telecommunications Holding Company ("MTHC"). MTHC is a Delaware corporation with its principal offices located at 44 Wall Street, 6th Floor, New York, NY 10005.

The following persons or entities hold a 10% or greater direct ownership interest in MTHC:

Name: Marshall Aronow
Address: 210 East 68th Street, #11A
New York, NY 10021
Citizenship: U.S.
Percentage Owned: 28%

Name: David Aronow
Address: 515 East 12th Street
New York, NY 10009
Citizenship: U.S.
Percentage Owned: 27%

Name: Joseph Aronow Trust U/A 4/13/99
Address: 500 East 77th Street
New York, NY 10027
Citizenship: U.S.
Percentage Owned: 13.5%

Name: Deborah Aronow Trust U/A 4/13/99
Address: 500 East 77th Street
New York, NY 10027
Citizenship: U.S.
Percentage Owned: 13.5%

No other person or entity holds a 10% or greater indirect ownership interest in Transferee.

(i) Certification that MetTel is not a foreign carrier and is not affiliated with a foreign carrier:

See Exhibit B.

(j) Certification that MetTel does not intend to provide international telecommunications services to a destination country for which any of Sections 63.18(j)(1)-(4) of the Commission's Rules, 47 C.F.R. § 63.18(j)(1)-(4) is true:

See Exhibit B.

- (k) Not applicable (see response to item (j)).
- (l) Not applicable (see response to item (j)).
- (m) Not applicable (see response to item (j)).

(n) Certification that MetTel has not agreed to accept special concessions directly or indirectly from any foreign carrier with respect to any U.S. international route where the foreign carrier possesses market power on the foreign end of the route and will not enter into such agreements in the future:

See Exhibit B.

(o) Certifications by Parties that no party to this Application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 853(a):

See Exhibits B and C.

(p) Streamlined Processing.

Applicants request streamlined processing of this application pursuant to Section 63.12 of the Commission's Rules, 47 C.F.R. § 63.12. This Application is eligible for streamlined processing pursuant to Section 63.12 of the Commission's Rules because: (1) MetTel, the transferee, is not affiliated with a foreign carrier; (2) MetTel is not affiliated with a dominant U.S. carrier; and (3) MetTel does not seek authority to provide switched basic services over private lines to a country for which the Commission has not previously authorized the provision of switched services over private lines. See 47 C.F.R. §§ 63.12(a)-(c).

V. CONCLUSION

For the reasons stated above, Applicants respectfully submit that the public interest, convenience, and necessity would be furthered by a grant of this Application.

Respectfully submitted,

By: _____

Jonathan S. Marashlian
THE HELEIN LAW GROUP, P.C.
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Counsel to Joint Applicants

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730 2nd Avenue South, Suite 900
Minneapolis, MN 55402
Telephone: (612) 436-6692
Facsimile: (612) 436-6792
E-mail: jjoxley@eschelon.com

Andoni Economou
Chief Operating Officer/
Executive Vice President
Manhattan Telecommunications Corporation
44 Wall Street, 6th Floor
New York, NY 10005
Telephone: (212) 607-2004
Facsimile: (212) 635-5074
E-mail: aeconomou@mettel.net

Respectfully submitted,

/s/

By: _____

J. Jeffery Oxley
Business Productivity Solutions, Inc.
730 2nd Avenue South, Suite 900
Minneapolis, MN 55402
Telephone: (612) 436-6692
Facsimile: (612) 436-6792
E-mail: jjoxley@eschelon.com

Dated: August 9, 2005

Respectfully submitted,

/s/

By: _____

Andoni Economou
Chief Operating Officer/
Executive Vice President
Manhattan Telecommunications Corporation
44 Wall Street, 6th Floor
New York, NY 10005
Telephone: (212) 607-2004
Facsimile: (212) 635-5074
E-mail: aeconomou@mettel.net

Dated: August 9, 2005

EXHIBIT A

DOMESTIC SUPPLEMENT

**DOMESTIC SUPPLEMENT TO
JOINT INTERNATIONAL AND DOMESTIC APPLICATION FOR CONSENT
TO TRANSFER CONTROL**

- I. Pursuant to 47 C.F.R. § 63.04(b), the following information required by 47 C.F.R. 63.04(a)(6)-(a)(12) is supplied in connection with the attached Joint International and Domestic Application for Consent to Transfer Control.

(6) Description of the transaction:

Pursuant to the terms of a Stock Purchase Agreement ("Agreement"), dated August 9, 2005, by and between Manhattan Telecommunications Corporation, d/b/a Metropolitan Telecommunications ("MetTel"), Eschelon Operating Company ("OPCO") and Business Productivity Solutions, Inc. ("BPS"), MetTel will acquire 100% of the issued and outstanding capital stock of BPS, which is currently held by BPS's parent, OPCO (the "Transaction"). Following completion of the Transaction, BPS will be a direct, wholly owned subsidiary of MetTel. Closing of the Transaction is contingent upon, among other things, receipt of necessary regulatory approvals from the Commission and other Governmental approvals.

Applicants emphasize that the proposed Transaction will be entirely transparent to BPS customers. Immediately after consummating the Transaction, MetTel will continue to provide the identical end user telecommunications and other services to the affected customers and will continue to provide these services at the rates and pursuant to the terms and conditions of service these customers currently receive from BPS. Further, MetTel will continue to provide services under the BPS name. In sum, consummation of the Transaction will result in no perceivable changes to BPS customers.

(7) A description of the geographic areas in which the transferor and transferees offer domestic telecommunications services, and what services are provided in each area:

Transferee

Either directly or through its wholly owned operating subsidiaries,¹¹ MetTel presently provides local exchange, domestic interexchange (both interLATA and intraLATA), international and advanced data and Internet services to customers residing in: California, Connecticut, District of Columbia, Delaware, Florida, Georgia, Illinois, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Texas, Vermont, Virginia, and West Virginia. MetTel is rapidly expanding from its regional base in the Northeast and Mid-Atlantic states with plans to serve customers in all 48 lower states and Hawaii by the end of 2005. At present, however, there are no other affiliates of MetTel that currently provide domestic telecommunications services.

Transferors

BPS provides resold intrastate and interstate telecommunications services throughout the contiguous United States and the District of Columbia. Additionally, BPS is authorized to provide local exchange services in Connecticut, Delaware, Hawaii, Kansas, Missouri, Massachusetts, North Dakota, Oregon, Tennessee and Wisconsin

(8) A statement as to how the Application fits into one or more of the presumptive streamlined categories in Section 63.03 or why it is otherwise appropriate for streamlined treatment:

MetTel, as transferee, will have less than a 10 percent market share in the interstate, interexchange market as a result of the transaction and will provide services exclusively in geographic areas served by a dominant local exchange carrier that is not a party to this

¹¹ See Footnote 6, *supra*.

transaction. Further, neither MetTel nor BPS is dominant with respect to any service. Therefore, this Application is appropriate for streamlined treatment pursuant to 47 C.F.R. § 63.03(b)(2).

(9) Identification of all other Commission applications related to the same transaction:

The attached Application for consent to the transfer of control related to the provision of international telecommunications services is being submitted herewith.

(10) A statement of whether the Applicants are requesting special consideration because either party to the transaction is facing imminent business failure:

Applicants do not seek special consideration in this Application.

(11) Identification of any separately filed waiver requests being sought in conjunction with the transaction:

Applicants do not seek any waivers in conjunction with the transactions discussed in this Application.

(12) A statement showing how grant of the Application will serve the public interest, convenience and necessity, including any additional information that may be necessary to show the effect of the proposed transaction on competition in domestic markets:

The Applicants respectfully submit that the Transaction serves the public interest. After consummation of the Transaction, BPS will continue to operate under its name and operating authorities as at present. The Transaction involves no change in the entity providing service to customers or the end user services, rates, terms and conditions of such services. All existing tariffs will remain in place. The transfer of control will be entirely transparent to customers and will not have any adverse impact on them. The only change will be in the ultimate ownership of BPS.

The Applicants expect that the Transaction will increase competition in the telecommunications market by strengthening MetTel's position as an effective and

multifaceted telecommunications carrier. The Transaction will allow MetTel to combine its financial, technical and market resources and expertise with that of BPS, thereby enhancing its ability to provide reliable, competitively priced services to customers.

MetTel focuses on delivering reliable, high-quality voice, data and Internet services to the medium and large business markets. MetTel also offers local exchange and long distance services to residential customers in its markets. Customers currently served by BPS fall squarely within MetTel market niche and therefore make an ideal fit with MetTel's long term expansion goals.

Consummation of the proposed Transaction will make available to BPS customers MetTel's innovative and proprietary operations support systems, which provide leading edge electronic bonding, provisioning, customer care and billing system capabilities. MetTel is committed to exceeding customer expectations and understands that service and support are just as important as having the latest technology at competitive prices. That is why MetTel supports its products and services with dedicated and skilled account teams. BPS customers can expect the same dedicated attention upon consummation of the proposed Transaction.

The transfer of control of BPS to MetTel does not result in any anticompetitive effects. BPS and MetTel together will achieve economies of scale and scope which will enhance MetTel's ability to deploy new products and services and expand into new markets. Although BPS and MetTel both provide similar services in a few overlapping markets, neither has significant market share in any of these markets and the combined market share post-closing will not exceed 10 percent in any market. In all instances where BPS and MetTel provide local exchange services, the incumbent local exchange carrier has a virtual monopoly and this Transaction will not diminish the ILEC's dominant market position. Furthermore, in all instances where BPS and MetTel provide interexchange telecommunications services in

overlapping markets, carriers such as AT&T, MCI and a plethora of others are active participants in these markets. Accordingly, the transfer of control of BPS to MetTel will increase, not degrade, the competitiveness of these markets.

For each of the foregoing reasons, grant of the proposed transaction is in the public interest.

II. Applicants submit the following information in support of their request for Section 214 authority pursuant to Section 63.04 of the Commission's rules.

(a) Name, Address and Telephone Number of Each Applicant

Transferee

Manhattan Telecommunications Corporation,
d/b/a Metropolitan Telecommunications
44 Wall Street, 6th Floor
New York, NY 10005
Telephone: (212) 607-2000
FRN: 0004365144

Transferor

Business Productivity Solutions, Inc.
730 2nd Avenue South, Suite 900
Minneapolis, MN 55402
Telephone: (612) 376-4400
FRN: 0013645569

(b) State of Organization

Applicant

State of Organization

Manhattan Telecommunications
Corporation,
d/b/a Metropolitan Telecommunications

Delaware

Business Productivity Solutions, Inc.

Minnesota

(c) Contact persons for this Application

Questions or inquiries concerning this Application may be directed to:

Jonathan S. Marashlian, Esq.
THE HELEIN LAW GROUP, P.C.
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With a copy to:

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Facsimile: (212) 635-5074
E-mail: aeconomou@mettel.net

And

J. Jeffery Oxley
Business Productivity Solutions, Inc.
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Minneapolis, MN 55402
Telephone: (612) 436-6692
Facsimile: (612) 436-6792
E-mail: jjoxley@eschelon.com

(d) Equity Ownership. MetTel, a privately held Delaware corporation, is a wholly owned subsidiary of Metropolitan Telecommunications Holding Company ("MTHC"). MTHC is a Delaware corporation with its principal offices located at 44 Wall Street, 6th Floor, New York, NY 10005.

The following persons or entities hold a 10% or greater direct ownership interest in MTHC:

Name: Marshall Aronow
Address: 210 East 68th Street, #11A
New York, NY 10021
Citizenship: U.S.
Percentage Owned: 28%

Name: David Aronow
Address: 515 East 12th Street
New York, NY 10009
Citizenship: U.S.
Percentage Owned: 27%

Name: Joseph Aronow Trust U/A 4/13/99
Address: 500 East 77th Street
New York, NY 10027
Citizenship: U.S.
Percentage Owned: 13.5%

Name: Deborah Aronow Trust U/A 4/13/99
Address: 500 East 77th Street
New York, NY 10027
Citizenship: U.S.
Percentage Owned: 13.5%

EXHIBIT B

CERTIFICATIONS OF APPLICANT

METTEL

EXHIBIT C

CERTIFICATIONS OF AUTHORIZED CARRIER

BPS

CERTIFICATIONS OF AUTHORIZED CARRIER

BUSINESS PRODUCTIVITY SOLUTIONS, INC.

On behalf of Business Productivity Solutions, Inc. ("BPS") and in accordance with Sections 1.2001-1.2003 of the Commission's Rules, 47 C.F.R. §§ 1.2001-1.2003, I hereby certify that neither BPS, its officers and directors, nor any party with a five percent or greater interest in BPS, is subject to a denial of the Federal benefits requested herein pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988. See 21 U.S.C. § 853(a). I also hereby certify that the statements in the foregoing application are true, complete and correct to the best of my knowledge and are made in good faith.

BUSINESS PRODUCTIVITY SOLUTIONS, INC.

By:



Name: Dennis D. Ahlers

Title: Senior Director/Attorney
Assistant Corporate Secretary

Date: August 9, 2005

CERTIFICATIONS OF METTEL

On behalf of Manhattan Telecommunications Corporation, d/b/a Metropolitan Telecommunications ("MetTel") and in accordance with Sections 1.2001-1.2003 of the Commission's Rules, 47 C.F.R. §§ 1.2001-1.2003, I hereby certify that neither MetTel, its officers and directors, or any party with a five percent or greater interest in MetTel, is subject to a denial of the Federal benefits requested herein pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988. See 21 U.S.C. § 853(a). I also hereby certify that the statements in the foregoing application are true, complete, and correct to the best of my knowledge and are made in good faith.

MetTel has not agreed to accept any concessions directly or indirectly from any foreign carrier or administration with respect to traffic or revenue flow between the United States and various international points under the authority granted under Section 214 of the Communications Act of 1934, as amended, and the Commission's Rules, and has not agreed to enter into such agreements in the future.

Pursuant to Section 63.18(i) of the Commission's Rules, 47 C.F.R. § 63.18(i), I certify that MetTel is neither a foreign carrier nor affiliated with a foreign carrier as defined by the Commission's Rules.

Further, pursuant to Section 63.18(j) of the Commission's Rules, 47 C.F.R. § 63.18(j), I certify that MetTel does not intend to provide international telecommunications services to a destination country for which: (1) MetTel is a foreign carrier in that country; or (2) MetTel controls a foreign carrier in that country; or (3) any entity that owns more than 25 percent of MetTel controls a foreign carrier in that country; or (4) two or more foreign carriers (or parties that control foreign carriers) own, in the aggregate, more than 25 percent of MetTel and are parties to, or the beneficiaries of, a contractual relation (e.g., a joint venture or market alliance) affecting the provision or marketing of international basic telecommunications services in the United States.

MANHATTAN TELECOMMUNICATIONS CORPORATION
d/b/a Metropolitan Telecommunications

By: _____

Name: Andoni Economou

Title: Chief Operating Officer/EVP

Date: August 9, 2005